NEW APPLICATION

MAXWELL, BAKER & McFATRIDGE

ATTÓRNEYS AT LAW 17625 EL CAMINO REAL, SUITE 310 HOUSTON, TEXAS 77058



KYLE DICKSON

HOUSTON (281) 286-10**4**0 AUSTIN (512) 457-1272 FACSIMILE (281) 286-1043

August 31, 1998

ORIGINAL

VIA FEDERAL EXPRESS

Arizona Corporation Commission Docket Control Center 1200 West Washington Street Phoenix, Arizona 85007-2996

Re: DPI-Teleconnect, Inc.; Application for a Certificate of Convenience and Necessato Provide Interexchange Telecommunications Services within the State of Arizo

and Necessity

Dear Sir or Madam:

Enclosed for filing on behalf of *DPI Teleconnect, Inc.*, please find an original and eleven (11) copies of the Application for a Certificate of Convenience and Necessity.

Please date-stamp the enclosed extra copy of the application and return it to the undersigned in the self-addressed stamped envelope provided. If you have any questions, please contact me at (281) 286-1040.

Kyle L. Dickson

Respectfully submitted

Enclosures

BEFORE THE ARIZONA CORPORATION COMMISSION

ORIGINAL

MARCIA WEEKS				W
CHAIRMAN RENZ D. JENNINGS COMMISSIONER		DOCKET NO. T - 0 3		8 0691
CARL J. KUNASEK COMMISSIONER		DUCKET NO. 1 0 2		© 0091
IN THE MATTER OF THE	§		E CO	Ö 22 20
APPLICATION OF	§			~m ⊙Ω
DPI-TELECONNECT, INC.	§			22
FOR A CERTIFICATE OF	§			≣ 6
CONVENIENCE AND NECESSITY TO	§	DOCKET NO		<u> </u>
PROVIDE INTEREXCHANGE	§		¥ 48	2
TELECOMMUNICATIONS SERVICES	§		4.09	
WITHIN THE STATE OF ARIZONA	§			

APPLICATION OF

DPI-TELECONNECT, INC.

FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY

GENERAL REQUIREMENTS

A. Applicant:

DPI-TELECONNECT, INC. 1290 Gulf Blvd., Suite 2007 Clearwater, FL 33767

B. <u>Management Contact for Applicant</u>:

David M. Pikoff, Vice President 1290 Gulf Blvd., Suite 2007 Clearwater, FL 33767 (813) 596-7310

C. Attorney for Applicant:

Kyle L. Dickson Maxwell, Baker & McFatridge, P.C. 17625 El Camino Real, Suite 310 Houston, Texas 77058 (281) 286-1040 (Telephone) (281) 286-1043 (Fax)

D. Nature of Services to be Provided:

- 1. In accordance with Ariz. Rev. Ann. Section 40-101 et seq. (1991) and Ariz. Comp. Admin. R. & Regs. R14-2-503 (1991), DPI-TELECONNECT, INC., (hereinafter "Applicant" or "DPI"), hereby files an application for a certificate of convenience and necessity from the Arizona Corporation Commission (hereinafter "Commission") to provide intrastate, local and interLATA and intraLATA telecommunications services within Arizona.
- 2. Applicant's service provides for the resale of basic local exchange service of the facilities-based carriers, such as U.S. West, to businesses and residential customers services.
 - 3. Applicant's service will be available 24 hours a day, seven days a week.
- 4. Applicant submits the following reasons in support of its belief that the Commission should grant its application:
 - (a) Applicant's proposed resale of local and long-distance telephone service will meet the needs of subscribers who wish to obtain alternative telecommunications services.
 - (b) Applicant's proposed service will help to optimize the use of existing telecommunications facilities and contribute to their efficient use and operation.
 - (c) The Commission's granting of the instant application is consistent with the Commission's Order in Decision No. 57339, Docket No. U-2507-88-045, et al. (April 5, 1991), in which the Commission recognized that competition within the intrastate, inter LATA telecommunications market provides long-term benefits to Arizona consumers, among which benefits are the following:

- (i) lower-priced and better quality services; (ii) innovative packaging of telecommunications resources as well as increased diversification and reliability of supply of telecommunications services; and (iii) development of an expanded telecommunications supply industry in Arizona with attendant employment opportunities for Arizona residents.
- 5. The Commissions's order granting authority to Applicant may require the filing and updating of limited tariffs setting forth certain of Applicant's telecommunications services and rates. Such rates, which, because the marketplace will dictate price, need not be supported by cost data and should become automatically effective after a reasonable waiting period determined by the Commission. In addition, Applicant will be subject to the Commission's present complaint procedures. However, the Commission may wish to apply modified complaint procedures to resolve customer disputes with Applicant as a competitive provider of long-distance services.
- 6. Applicant requests that the Commission grant it authority to provide resold local and intrastate long-distance services in Arizona subject to the above-referenced conditions. Such a regulatory scheme will protect Arizona consumers and promote competition and consequent efficiency in the provision of local exchange and intrastate, interLATA and intraLATA telecommunications services in Arizona subject to the above-referenced conditions. Such a regulatory scheme will protect Arizona consumers and promote competition and consequent efficiency in the provision of telecommunications services.
- 7. Applicant request that its application be granted on an <u>ex parte</u> basis. Applicant is prepared to offer its telecommunications services immediately upon Commission authorization and to begin providing the benefits of its service offerings to Arizona consumers.

E. Corporate Status of Applicant:

- 1. Applicant is a privately-held limited liability corporation, organized under the laws of the State of Texas. A copy of the Applicant's Articles of Incorporation is attached as Exhibit "A" and a copy of Applicant's authority to do business in Arizona is attached as Exhibit "B".
- 2. Names of Officers and Directors (a copy of management's experience and resume is attached as Exhibit C):

Applicant's management is as follows:

Officers:

David Britton Dorwart President

David Michael Pikoff Vice President

David Britton Dorwart Secretary

David Michael Pikoff Treasurer

Applicant's principals are as follow:

Board of Directors:

David Britton Dorwart 1290 Gulf Blvd. Suite 2007 Clearwater, FL 33767 (813) 596-7310

David Michael Pikoff 1290 Gulf Blvd. Suite 2007 Clearwater, FL 33767 (813) 596-7310

F. <u>Description of facilities that will be used to provide service in Arizona:</u>

Applicant will provide resold local and long-distance service. All facilities and equipment used to provide Applicant's service are operated and maintained by Applicant's underlying facilities-based carriers.

G. Current Balance Sheet and One Year Projected Balance Sheet:

Applicant is a start up business, having been incorporated on July 23, 1998, and therefore does not have any current financial statements. Attached as Exhibit "D" is a projected income statement and cash flow sheet. Also attached is a copy of the account statement indicating DPI's initial capital contribution of \$50,000.00.

H. <u>Current Income Statement:</u>

See attached.

I. <u>Date Utility Expects to Make Profit</u>:

Applicant expects to make a profit in Arizona within 18 months of certification.

J. Proposed Tariff:

A copy of Applicant's proposed tariff is attached as Exhibit "E".

K. Map of Service Area:

DPI will serve the entire State of Arizona within and following the existing exchange boundaries of U.S. West. Therefore, no map of proposed service areas is being submitted.

L. <u>Complaint Processing Procedures</u>:

Applicant's complaint processing procedures are:

Customers will be provided with an 800 number to contact the customer service department.

DPI. Customer service will be staffed by four (4) full-time customer service representatives, available from 8:00 a.m. - 8:00 p.m. (Central Time), M-F and 10-6 p.m.on Saturdays. Applicant's

toll-free customer service number is: (800) 999-4194. DPI will deal directly with the incumbent

LEC's to resolve any technical/maintenance problems associated with the provisioning of resold local services.

M. <u>List of Approved States</u>:

DPI is approved to provide local exchange service in New Jersey.

N. <u>Diagram of Call Network</u>:

All of DPI's services are resold, therefore, DPI does not maintain any network facilities.

DPI-TELECONNECT, INC.

Kyle L. Dickson

Maxwell, Baker & McFatridge, P.C.

17625 El Camino Real, Suite 310

Houston, Texas 77058

(281) 286-1040 (Telephone)

(281) 286-1043 (Fax)

Attorney for DPI-TELECONNECT, INC.

VERIFICATION OF APPLICANT

I, David M. Pikoff, am Vice President of *DPI-TELECONNECT, INC.*, the Applicant herein. I verify that, based on my information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.

David M. Pikof

SWORN TO BEFORE ME, the undersigned Notary Public on this 3th day of lugust _____, 1998.

Notary Public (Type or Print Name)

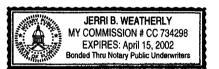


EXHIBIT A

CT CORPORATION SYSTEM

701 Brazos Street

Suite 430 July 23, 1998

Austin, TX 78701 Tel. 512 472 3660

Fax 512 472 7747

Mr. Kyle Dickson Maxwell Baker & McFatridge PC 17625 El Camino Real, Suite 310 Houston, Texas 77058

RE: DPI-TELECONNECT, INC

Order #: 1362044

Dear Mr. Dickson:

As instructed, we enclose the following document(s), as issued by the State of Texas.

Certificate of Incorporation filed July 23, 1998

If you have any questions concerning this order, please contact Denise Singleton in our Houston office. Thank you for this opportunity to be of service.

Very truly yours,

CT-AUSTIN

Enclosure(s)

MR

Via: Federal Express



The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

OF

DPI-TELECONNECT, INC.
CHARTER NUMBER 01499537

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION.

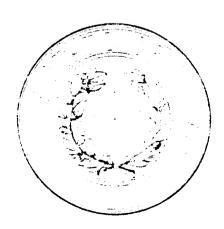
TSSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE

THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF

ANGTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,

THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED JULY 23, 1998
EFFECTIVE JULY 23, 1998



Alberto R. Gonzales, Secretary of State

140E 2/E

ARTICLES OF INCORPORATION

OF

DPI-TELECONNECT, INC.

FILED
In the Office of the
Secretary of State of Texas

JUL 2 3 1998

Corporations Section

The undersigned natural person of the age of eighteen years or more acting as incorporator does hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE ONE

The name of the Corporation is DPI-TELECONNECT, INC.

ARTICLE TWO

The period of duration of the Corporation is perpetual.

ARTICLE THREE

The purpose for which the Corporation is organized is the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act.

ARTICLE FOUR

The aggregate number of shares which the Corporation shall have the authority to issue is ten million (10,000,000) shares of common stock, each share having no par value and having the right to vote and being identical with all other shares of common stock.

ARTICLE FIVE

The Corporation will not commence business until it has received for the issuance of its shares consideration of the value of at least One Thousand Dollars (\$1,000.00), consisting of money, labor done, or property actually received.

ARTICLE SIX

The street address of the initial registered office of the Corporation is 811 Dallas, Suite 1500, Houston, Texas 77002, and the name of the initial registered agent of the Corporation is CT Corporation.

ARTICLE SEVEN

The Board of Directors of the Corporation shall consist of one or more members. The number of Directors constituting the initial Board of Directors is one (1) and the name and address of the person who is to serve as director until the first annual meeting of the shareholders or until his successor is elected and qualified is:

David M. Pikoff 17625 El Camino Real, Suite 310 Houston, Texas 77058

ARTICLE EIGHT

The power to adopt, alter, amend or repeal the Bylaws shall be vested in the Board of Directors and in the shareholders entitled to vote for the election of directors.

ARTICLE NINE

No director and no officer of the Corporation shall be disqualified by reason of his office from dealing with or contracting with the Corporation, either as vendor, seller, purchaser, vendee, buyer, mortgagee, mortgagor, or otherwise; and no transaction of this Corporation shall be void or voidable by reason of the fact that the director or officer or any firm in which a director or officer of this Corporation is a member, or any corporation of which a director or officer of this Corporation is a shareholder or a director or officer, is in any way interested in such transaction.

ARTICLE TEN

Provisions limiting or denying shareholders the preemptive right to acquire additional or treasury shares of the Corporation are:

No shareholder shall be entitled, as a matter of right, to subscribe for, purchase or receive any shares of stock or any rights or options of the Corporation which it may issue or sell, whether out of the number of shares authorized by these Articles of Incorporation or by amendment thereof, or out of the shares of the stock of the Corporation acquired by it after the issuance thereof, nor shall any shareholder be entitled, as a matter of right, to subscribe for, purchase or receive any bonds, debentures or other securities which the Corporation may issue or sell that shall be convertible into, exchangeable for, stock or to which shall be attached or appertain any warrant or warrants or other instrument or instruments that shall confer upon the holder or owner of such obligations the right to subscribe for, purchase or receive from the Corporation any shares of its authorized capital stock; but all such additional issues of stock, rights and options or of bonds, debentures or other securities convertible into, or exchangeable for, stock or to which warrants shall be

attached or appertain or which shall confer upon the holder the right to subscribe for, purchase or receive any shares of stock, may be issued, optioned for, and sold or disposed of by the Corporation pursuant to resolution of its Board of Directors to such persons, firms or corporations and upon such terms as may be lawful and may to such Board of Directors seem proper and advisable, without first offering such stock or securities or any part thereof to the shareholder. The acceptance of stock in the Corporation shall be a waiver of any preemptive rights or preferential rights which, in the absence of this provision might otherwise be asserted by shareholders of the Corporation or any of them.

ARTICLE ELEVEN

No director of the Corporation shall be liable to the Corporation or its shareholders for monetary damages for an act or omission in a director's capacity as a director, except that this Article Eleven does not eliminate or limit the liability of a director for:

- (a) a breach of a director's duty of loyalty to the Corporation or its shareholders;
- (b) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law;
- (c) a transaction from which a director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office;
- (d) an act or omission for which the liability of a director is expressly provided for by statute; or
- (e) an act related to an unlawful stock repurchase or payment of a dividend.

ARTICLE TWELVE

A. The Corporation shall indemnify its directors and its former directors and the Corporation may indemnify its officers and its former officers against any losses, damages, claims or liabilities to which they may become subject or which they may incur as a result of being or having been an officer or director, and shall advance to them or reimburse them for expenses incurred in connection therewith, to the maximum extent permitted by law. The Corporation may indemnify other employees, agents or persons against any losses, damages, claims or liabilities to which they may become subject or which they may incur as a result of having been an employee or agent or having acted for the Corporation and may advance to them or reimburse them for expenses incurred in connection therewith to the maximum extent permitted by law.

B. A person may be indemnified under this Article Twelve against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by

AJE 3/3

the person in connection with a proceeding; but if the person is found liable to the Corporation or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (1) is limited to reasonable expenses actually incurred by the person in connection with the proceeding and (2) shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his duty to the Corporation.

- C. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by its counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled.
- D. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, sole proprietorship, trust, other enterprise or employee benefit plan, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such a person, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of the Texas Business Corporation Act.
- E. Without limiting the power of the Corporation to procure or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation (1) create a trust fund, (2) establish any form of self-insurance, (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation, or (4) establish a letter of credit, guaranty or surety arrangement.

ARTICLE THIRTEEN

The name and address of the Incorporator of the Corporation is:

David R. Baker 17625 El Camino Real, Suite 310 Houston, Texas 77058

DAVID R. BAKER

EXHIBIT B	

JIM IRVIN
COMMISSIONER-CHAIRMAN

RENZ D. JENNINGS COMMISSIONER

CARL J. KUNASEK

COMMISSIONER

JACK ROSE EXECUTIVE SECRETARY

JOANNE C. MACDONNELL

ARIZONA CORPORATION COMMISSION

CT CORPORATION SYSTEM 3225 N. CENTRAL AVE PHOENIX, AZ 85012

RE: DPI-TELECONNECT, INC. File Number: F-0849300-3

We are pleased to notify you that your Application for Authority to transact business in Arizona was approved and filed on August 14, 1998.

You must publish a copy of your Application for Authority. The publication must be in a newspaper of general circulation in the county of the known place of business in Arizona, for three (3) consecutive publications. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the File Date.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, on the anniversary of the date of incorporation. Each year, a preprinted Annual Report Form will be mailed to you prior to the due date of the report.

If you have any questions or need further information, please contact us at (602) 542-3135 in Phoenix, (520) 628-6560 in Tucson, or Toll Free (Arizona residents only) at 1-800-345-5819.

Very truly yours,

AL AMEZCUA Examiner Corporations Division Arizona Corporation Commission

CF:07 Rev: 4/97

ARIZONA CORPORATION COMMISSION CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington

Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress

Tucson, Arizona 85701-1347

CERTIFICATE OF DISCLOSURE A.R.S. § 10-202.D

	DPI-TELECONNECT, INC.
CHECK APPROPRIATE BOX (A. or B)	EXACT CORPORATE NAME
ANSWER "C"	
THE UNDERSIGNED CERTIFY THAT:	
	s, trustees, incorporators and persons controlling or holding over 10% of the
x issued and outstanding common shares or 10% of any other proprietary, ber	
Have been convicted of a felony involving a transaction in securities seven-year period immediately preceding the execution of this Certificat	, consumer fraud or antitrust in any state or federal jurisdiction within the
	isted of fraud, misrepresentation, their by false pretenses, or restraint of trade
3. Have been or are subject to an injunction, judgment, decree or perma	ment order of any state or federal court entered within the seven-year period
immediately preceding the execution of this Certificate wherein such inj	
(a) Involved the violation of fraud or registration provisions of the secu(b) Involved the violation of the consumer fraud laws of that jurisdiction	
(c) Involved the violation of the consumer made laws of that jurisdates	
B. For any person or persons who have been or are subject to one or more of	•
information MUST be attached:	6 0 110 mm 1 m
 Full name, prior name(s) and aliases, if used. Full birth name. 	6. Social Security number.7. The nature and description of each conviction or judicial action,
Present home address.	date and location, the court and public agency involved and file or
4. Prior addresses (for immediate preceding 7-year period).	cause number of case.
5. Date and location of birth.	
C. Has any person serving as an officer, director, trustee or incorporator of the issued and outstanding common shares, or 20% of any other proprietary, be placed in bankruptcy, receivership or had its charter revoked, or administration	neficial or membership interest in any corporation which has been
IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST CORPORATION:	
1. Name and address of the corporation.	3. State(s) in which the corporation:
2. Full name (including aliases) and address of each person involved.	(a) Was incorporated. (b) Has transacted business.4. Dates of corporate operation.
	5. Date and case number of Bankruptcy or date of
December 3	revocation/administrative dissolution.
D. The fiscal year end adopted by the corporation is December 3	
THE DELIVERY DATE.	hat I (we) have examined this Certificate, including any attachments, and to THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS O
PRINT NAME <u>David Michael Pikoff</u> PRINT N	JAME
TITLE Vice President DATE 7-30-98 TITLE	DATE
DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN T	THE INITIAL CERTIFICATE OF DISCLOSURE, If within sixty days, any
	over 10% of the issued and outstanding shares or 10% of any other proprietary
beneficial, or membership interest in the corporation and the person was not	included in this disclosure, the corporation must file an AMENDED certifica

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

C/F: 0022-Business Corporations

Rev. 7/96 (ARIZ. - 73 - 10/17/96) cT System

signed by at least one duly authorized officer of the corporation.

APPLICATION FOR AUTHORITY

TO TRANSACT BUSINESS IN ARIZONA

AZ CORP. COMMISSION DELIVERED

AUG 1 4 1998

 \mathbf{BY}

	DPI-TELECONNECT, I	vc.	TERM
•	A (n) Texas	_ CORPORATIO	DATE
	(State, Province or Country)		F, 084
1.	The exact name of the foreign corporation is		
	DPI-TELECONNECT, INC.		
	ne of the foreign corporation is not available for use in this state, oration in Arizona is:	then the fictitious name	e adopted for
2.	The name of the state, province or country in which the foreign	gn corporation is incorpo	orated is:
3.	The foreign corporation was incorporated on the 23rd day of	July	19 98
and the period	of its duration is Perpetual.		•
4.	The street address of the principal office of the foreign corpor	ation in the state, provi	nce or country
of its incorpora	tion is:		
	811 Dallas Avenue		
	Houston, Texas 77002		
5.a.	The name and street address of the statutory agent for the for	eign corporation in Ariz	zona is:
	C T Corporation System		
	3225 North Central Avenue		
	Phoenix, Arizona 85012		

CF: 0024 Rev: 1/96

5.b. IF DIFFERENT		t address of the known place of business of the reet address of the statutory agent is:	e foreign corporation in Art	izona
		·		
	he state, pro	ose of the corporation is to engage in any and a ovince or country under whose law the foreign y: (If none, so state.)		
none				
7. corporation are:		es and usual business addresses of the current of additional sheets if necessary.)	directors and officers of th	e foreign
		David Britton Dorwart	President, .Secretary and	_[title]
		1000 Woodridge	<u>-</u>	
		Wichita, Kansas 67206	_	
		David Michael Pikoff	Vice President and Director	_[title]
		1290 Gulf Blvd. #2007		
		Clearwater, Florida 33767	•	
		Robert Marc Cohen	, <u>Director</u>	_[title]
		Art School Rd., P.O. Box 49	-	
		Chester Springs, Pennsylvania	19425	
			•	_ [title]
			-	
8.	The forei	ign corporation is authorized to issue 10,000	, 000 shares, itemized	as follows:
(Attach addition	nal sheets if	f necessary.)		
10,	000,000	Common shares of Common	[class or series] stock at	
<u>x</u>	no par va	alue or par value of \$	per share.	
		shares of	_[class or series] stock at	
_	no par	value or par value of \$	per share.	
. —		_shares of	_[class or series] stock at	
	no nar	value or par value of \$	ner share	

9.	The foreign corporation has issued 205	shares, itemized as follows:
(Attach additional	sheets if necessary.)	
	Common 205 shares of Common	[class or series] stock at
	X no par value or par value of \$	
	· · · · · · · · · · · · · · · · · · ·	•
		[class or series] stock at
	no par value or par value of \$	•
	shares of	[class or series] stock at
	no par value or par value of \$	per share.
10.	The character of business the foreign cor	poration initially intends to conduct in Arizona is:
Provide	telecommunications services	
This applicati	ion is accompanied by:	
		et forth in Arizona Revised Statutes Section 10-202,D.
	_	
existence or d		endments (AZ Const. Art. XIV, \$8) and a certificate of ated by the official having custody of corporate records re incorporated (A.R.S. \$10-1503.B).
The filing fee	(s) (U.S.) made payable to the Arizona Cor	poration Commission.
	DATED thi	$s \xrightarrow{3 \circ} day \text{ of } \xrightarrow{3 \circ}$, 19 $\frac{98}{}$.
	DPI-TEL	ECONNECT, LANC. /
•		ECONNECT, INC. [Name of Corporation]
	Executed By	7-30-92
	David Mic	chael Pikoff, Vice President
		name] [title]
	ACCEPTANCE OF APPOINTM	IENT BY STATUTORY AGENT
	The undersigned hereby acknowledges and	accepts the appointment as statutory agent of this
corporation e	ffective this 3rd day of August	, 19 <u>_98</u>
	c	Prorporation Ayeram
		(hety Man
		Signature
	Vi	ctor Alfano, Asst. Secy.

[Print name]

Attention Corporate Officers

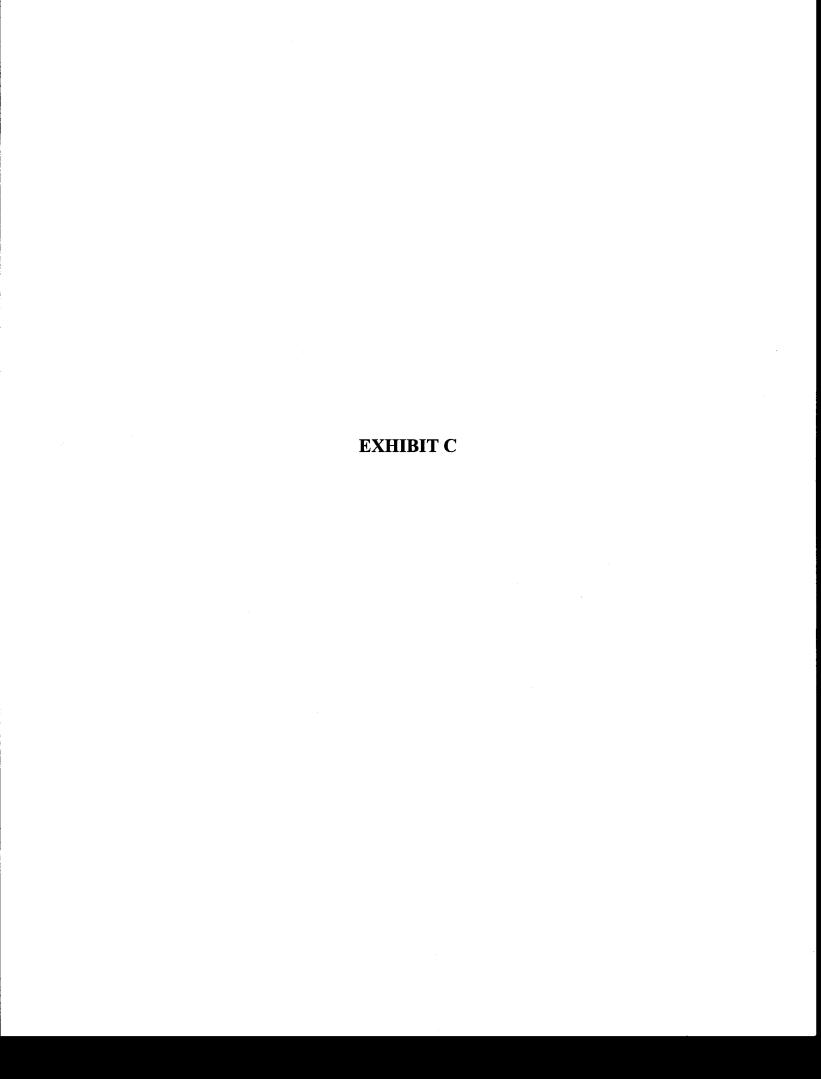
If you have the responsibility of collecting, accounting for, and paying over payroll taxes withheld from the wages and salaries of corporate employees, read on.

A principal benefit of incorporation is limiting an owner's liability to the amount of his/her capital investment. This limited liability may not apply in all circumstances.

Section 6672 of the Internal Revenue Code States that the liability for taxes withheld from the wages and salaries of corporate employees may be assessed against the corporate officer(s) or employee(s) found to be responsible for their collection and payment. The personal liability of the responsible officer or employee is not limited to the amount of capital investment.

There are other civil and criminal penalties in the law regarding filing, paying, depositing of employment taxes.

If you would like more information regarding this or any other federal tax issue, contact your local Internal Revenue Service office or call toll-free,



DPI-TELECONNECT, INC. MANAGEMENT RESUMES

DAVID B. DORWART

Prior to beginning his Telecom career, Mr. Dorwart was Vice President of Strategic Initiatives for Thorn Americas, which did business as Rent A Center, Remco and Advantage Edge. He began his career with Thorn Americas in 1987, and was promoted from entry level management to Vice President and prior to his departure in July of 1998 was General Manager of their AdvantEdge Quality Car Division.

Prior to his employ with Thorn Americas, Mr. Dorwart spend nearly ten years in management positions with various food corporations including Pillsbury and Richards Restaurant Corp.

Mr. Dorwart received a Bachelor of Science Degree from the University of Delaware.

DAVID M. PIKOFF

David Pikoff began his career in Telecom with Multitechnology Services, a large shared tenant service provider. Mr. Pikoff served as the regional manager for the Houston area. With the passing of the Telecommunications Act of 1996, Mr. Pikoff was quick to understand and seize the opportunity that this act presented. Mr. Pikoff founded and served as President of U.S. Telco, based in Dallas, Tx., a prepaid "reseller" with revenues of over \$400,000/month. Mr. Pikoff founded U.S. Telco in 1995, and incorporated it in 1996. Along with Mr. Pikoff's technical expertise, he has developed strategic alliances with major national businesses that will act as DPI-Teleconnect agents in the future. As President of U.S. Telco, Mr. Pikoff developed an operating system that will drive the initial operations of DPI-Teleconnect.

After successfully guiding U.S. Telco through an acquisition by one of its competitors, Mr. Pikoff accepted a position as General Manager with Tel Com Plus based in Clearwater, Florida. While there, Mr. Pikoff expanded the operations to span over an eight state area in addition to automating operating systems and significantly reducing the work force.

Mr. Pikoff earned a Business Degree in Marketing from St. Edwards University in Austin, Tx. He was awarded high honors, Maga Cum Laude.

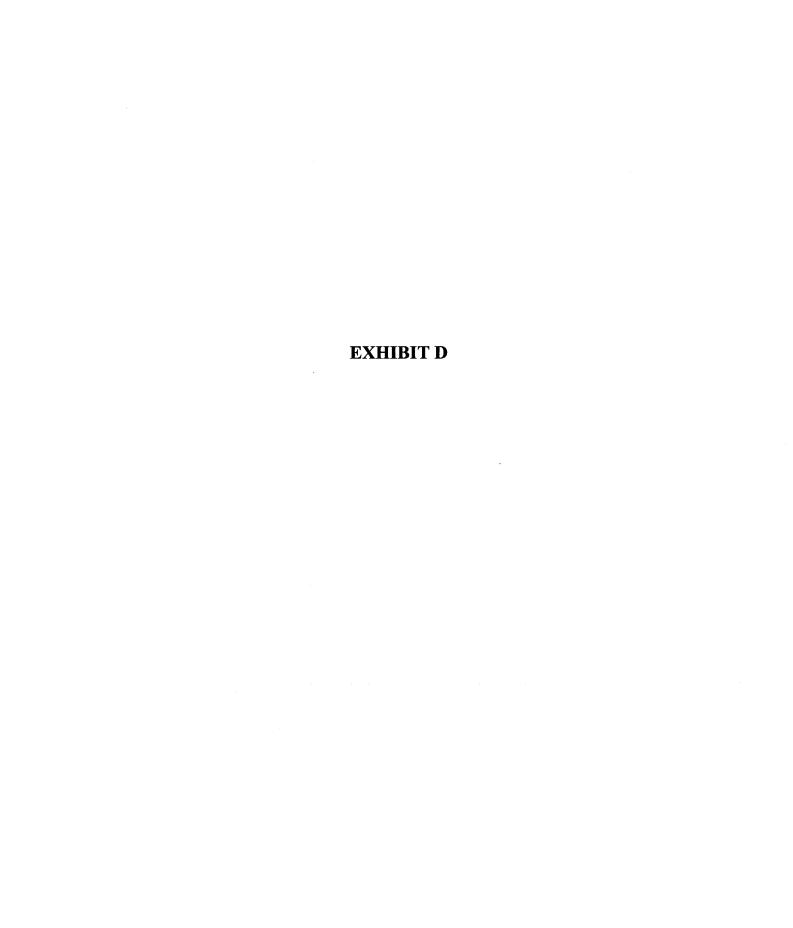
JASON PICK

Jason Pick began his Telecom career with COLCOM, Inc., a provider of voice and integrated data systems. He served as a staff accountant, and wrote several custom business solution applications.

Mr. Pick served as Director of IT with US Telco. At US Telco, Mr. Pick designed and wrote the software that US Telco used to provision service, handle Customer Service, and bill their customers with. Mr. Pick utilized his accounting background to integrate sophisticated management reports into the software that he wrote. Mr. Pick also designed and implemented payment interface systems that were used to transmit customer payment and order information.

After US Telco was acquired by a competitor, Mr. Pick accepted a position as IT Director with Tel Com Plus based in Clearwater, Fl. Mr. Pick designed and developed automated payment interfaces between Tel Com Plus and its agents, as well as call tracking and management reporting software. Mr. Pick also designed the schematics for an integrated voice response system, and was instrumental in its implementation and refinement.

Mr. Pick earned a Business Degree in Accounting from The University of Texas, Austin, Tx.



DPI-Teleconnect, Inc.

Additional Features

Average Bill

\$64.50

Average Total Bill

\$10.00 \$74.50

Additional Administrative Expenses Revenue from Operations Long Distance (40% of local) **Net Income-Before Taxes Additional Office Supplies** Customer Service Rep.(s) Cost of Services Customer Attrition (5%) Expenses Agent Commission Accounting/Legal Admininstrative Local Exchange Local Exchange Total Customers **Gross Revenue Total Expenses Net Customers New Customers** ILEC Interface **Long Distance Gross Profit** Advertising Month -\$7,895 \$8,722 \$5,000 \$1,460 \$2,608 \$1,863 \$2,500 0 \$745 25 25 25 \$750 \$196 \$320 \$250 \$827 \$26 \$0 -\$6,775 \$7,431 \$9,132 \$5,000 \$2,357 \$4,162 \$2,123 \$5,308 \$2,500 71 50 75 \$913 \$750 \$557 \$250 \$74 \$12,120 \$16,968 -\$2,061\$7,442 \$4,848 \$2,085 \$2,500 \$1,273 \$5,381 \$9,502 \$2,500 163 171 100 9 \$250 \$170 \$750 \$18,592 \$14,576 \$26,028 \$7,437 \$1,952 \$8,255 \$3,198 \$2,500 \$2,500 250 263 13 100 \$750 \$250 \$260 \$42 \$24,740 \$10,984 \$19,396 \$34,635 \$9,896 \$4,255 \$2,720 \$1,000 \$2,598 \$3,32 332 350 17 100 \$750 \$250 \$346 \$12,232 \$23,975 \$13,578 \$42,812 \$5,260 \$30,580 \$3,834 \$1,000 \$3,211 \$4,105 410 432 100 22 \$250 \$428 \$750 \$28,325 \$11,149 \$16,041 \$50,580 \$14,451 \$36,129 \$6,214 \$4,892 \$1,000 \$3,794 \$4,849 485 510 100 26 \$250 \$506 \$750 \$12,484 \$32,457 \$18,381 \$16,560 \$57,960 \$41,400 \$5,898 \$1,000 \$7,121 \$4,347 \$5,557 556 585 29 100 \$750 \$250 \$580 \$46,407 \$13,752 \$18,563 \$20,605 \$36,383 \$64,970 \$1,000 \$7,982 \$6,853 \$4,873 \$6,229 623 656 33 100 \$750 \$250 \$650 9 \$22,717 \$14,956 \$20,466 \$7,761 \$40,113 \$71,630 \$51,164 \$8,800 \$1,000 \$5,372 \$6,868 687 723 36 100 \$250 \$716 \$750 10 \$16,101 \$77,957 \$22,273 \$55,684 \$24,724 \$43,656 \$9,578 \$8,623 \$1,000 \$5,847 \$7,474 747 787 100 39 = \$250 \$780 \$750 \$17,188 \$23,991 \$59,977 \$26,630 \$10,316 \$47,022 \$83,968 \$9,442 \$1,000 805 \$6,298 \$8,051 847 42 180 12 \$250 \$840 \$750

DPI-Teleconnect, Inc.

Average Bill \$64.50
Additional Features \$10.00
Average Total Bill \$74.50

Net Income-Before Taxes	Additional Administrative Expenses Customer Service Rep.(s) Agent Commission Additional Office Supplies Admininstrative Accounting/Legal ILEC Interface Advertising Total Expenses	Expenses Cost of Services Local Exchange Long Distance Gross Profit	Revenue from Operations Local Exchange Long Distance (40% of local) Gross Revenue	Net Customers	New Customers Total Customers Customer Attrition (5%)	Month
\$10,220	\$8,598 \$6,726 \$750 \$897 \$250 \$1,000 \$18,221	\$50,220 \$11,018 \$28,441	\$64,056 \$25,622 \$89,678	860	100 905 45	13
\$10,959	\$9,118 \$7,133 \$750 \$951 \$250 \$1,000 \$19,202	\$53,257 \$11,684 \$30,161	\$67,930 \$27,172 \$95,102	912	100 960 48	14
\$11,661	\$9,612 \$7,519 \$750 \$1,003 \$250 \$1,000 \$1,000	\$56,143 \$12,317 \$31,795	\$71,611 \$28,645 \$100,256	961	100 1012 51	15
\$8,829	\$10,082 \$7,886 \$750 \$1,052 \$250 \$3,500 \$1,000 \$24,520	\$58,885 \$12,919 \$33,348	\$75,108 \$30,043 \$105,152	1008	100 1061 53	16
\$9,462	\$10,528 \$8,235 \$750 \$1,098 \$250 \$3,500 \$1,000 \$25,361	\$61,489 \$13,490 \$34,823	\$78,430 \$31,372 \$109,802	1053	100 1108 55	17
\$10,064	\$10,951 \$8,567 \$750 \$1,142 \$250 \$3,500 \$1,000 \$26,160	\$63,964 \$14,033 \$36,224	\$81,586 \$32,635 \$114,221	1095	100 1153 58	18
\$11,311	\$11,829 \$9,253 \$750 \$1,234 \$250 \$3,500 \$1,000 \$27,815	\$69,089 \$15,157 \$39,127	\$88,123 \$35,249 \$123,373	1183	150 1245 62	19
\$12,496	\$12,662 \$9,905 \$750 \$1,321 \$250 \$3,500 \$1,000 \$29,388	\$73,957 \$16,225 \$41,884	\$94,333 \$37,733 \$132,067	1266	150 1333 67	20
\$13,622	\$13,454 \$10,524 \$750 \$1,403 \$250 \$3,500 \$1,000 \$30,882	\$78,583 \$17,240 \$44,503	\$100,233 \$40,093 \$140,326	1345	150 1416 71	21
\$14,691	\$14,206 \$11,113 \$750 \$1,482 \$250 \$3,500 \$1,000 \$32,301	\$82,977 \$18,204 \$46,992	\$105,838 \$42,335 \$148,173	1421	150 1495 75	22
\$15,707	\$14,921 \$11,672 \$750 \$1,556 \$250 \$3,500 \$1,000 \$33,649	\$87,151 \$19,120 \$49,356	\$111,162 \$44,465 \$155,627	1492	150 1571 79	23
\$16,672	\$15,600 \$12,203 \$750 \$1,627 \$250 \$3,500 \$1,000 \$34,930	\$91,117 \$19,990 \$51,602	\$116,220 \$46,488 \$162,708	1560	150 1642 82	24

DPI-Teleconnect, Inc.

Additional Features
Average Total Bill

\$10.00 \$74.50

Average Bill

\$64.50

Additional Administrative Expenses **Revenue from Operations** Long Distance (40% of local) **Net Income-Before Taxes Additional Office Supplies** Customer Service Rep.(s) Cost of Services **Customer Attrition (5%)** Expenses Agent Commission Accounting/Legal Admininstrative **Total Customers** Local Exchange Local Exchange **Total Expenses Gross Revenue New Customers Net Customers ILEC Interface** Long Distance **Gross Profit** Advertising Month \$169,435 \$121,025 \$36,147 \$12,708 \$16,245 \$94,884 \$48,410 \$17,588 \$53,735 \$20,816 1625 1710 \$1,000 \$3,500 \$1,694 150 86 25 \$750 \$250 \$175,826 \$125,590 \$37,303 \$50,236 \$18,459 \$13,187 \$16,858 \$55,762 \$21,602 \$98,463 1686 1775 \$1,758 \$1,000 150 \$3,500 89 26 \$250 \$750 \$181,898 \$129,927 \$101,863 \$51,971 \$22,347 \$19,286 \$57,688 \$38,401 \$13,642 \$17,440 1744 \$1,819 1836 \$1,000 \$3,500 92 150 27 \$750 \$250 \$105,093 \$187,666 \$134,047 \$53,619 \$23,056 \$20,072 \$59,517 \$39,444 \$14,075 \$17,993 1799 1894 \$1,000 \$1,877 \$3,500 95 150 28 \$750 \$250 \$108,161 \$193,145 \$137,961 \$141,679 \$55,184 \$20,819 \$23,729 \$18,518 \$61,255 \$40,436 \$14,486 1852 \$1,000 \$1,931 1949 \$3,500 150 8 \$250 \$750 \$198,351 \$111,076 \$56,672 \$41,377 \$24,369 \$21,528 \$62,905 \$14,876 \$19,017 1902 2002 \$1,000 \$3,500 \$1,984 100 150 မ္မ \$750 \$250 \$145,211 \$203,296 \$113,846 \$58,085 \$42,272 \$15,247 \$19,491 \$22,202 \$64,474 \$24,976 2052 \$1,000 1949 103 \$3,500 \$2,033 150 <u>د</u> \$750 \$250 \$148,567 \$116,477 \$207,994 \$59,427 \$43,121 \$22,842 \$65,964 \$25,554 \$19,942 \$15,600 2099 \$1,000 1994 \$3,500 \$2,080 105 150 32 \$250 \$750 \$212,457 \$118,976 \$151,755 \$60,702 \$26,102 \$22,451 \$20,370 \$67,379 \$44,929 \$15,934 2037 2144 107 \$1,000 \$4,500 \$2,125 150 జ \$750 \$250 \$216,697 \$121,350 \$154,783 \$26,623 \$61,913 \$16,252 \$68,724 \$23,028 \$45,696 \$20,776 2078 2187 <u>109</u> \$1,000 150 \$4,500 \$2,167 34 \$250 \$750 \$220,725 \$123,606 \$157,660 \$70,001 \$63,064 \$23,577 \$21,162 \$27,118 \$46,424 \$16,554 2228 \$1,000 \$4,500 \$2,207 150 33 \$250 \$750 \$125,749 \$224,551 \$160,394 \$64,157 \$47,116 \$21,529 2153 \$24,099 \$16,841 \$71,215 \$27,588 113 2266 \$1,000 \$4,500 \$2,246 150 36 \$250 \$750

Cash Flow

Ending Cash Balance	Uses of Cash Operating Expenses	Sources of Cash Operations*	Month Beginning Balance
\$42,105	\$10,502	\$2,608	\$50,000
\$42,105 \$35,330 \$33,270	\$10,502 \$14,206 \$19,029 \$25,986 \$31,916 \$38,978	\$2,608 \$7,431 \$16,968 \$26,028 \$34,635 \$42,812	1 2 3 4 5 6 7 0,000 \$42,105 \$35,330 \$33,270 \$33,312 \$36,031 \$39,8
\$33,270	\$19,029	\$16,968	3 \$35,330
\$33,312 \$36,031 \$39,865 \$44,758	\$25,986	\$26,028	\$33,270
\$36,031	\$31,916	\$34,635	\$33,312
\$39,865	\$38,978	\$42,812	6 \$36,031
	\$45,688	\$50,580	7 \$39,865
\$50,656	\$52,062	\$57,960	8 \$44,758
\$57,509	\$58,117	\$64,970	9 \$50,656
\$65,269	\$63,869	\$71,630	9 10 0,656 \$57,509
\$50,656 \$57,509 \$65,269 \$73,892 \$83,334	\$52,062 \$58,117 \$63,869 \$69,334 \$74,526	\$57,960 \$64,970 \$71,630 \$77,957 \$83,968	1 2 3 4 5 6 7 8 9 10 11 12 \$50,000 \$42,105 \$35,330 \$33,270 \$33,312 \$36,031 \$39,865 \$44,758 \$50,656 \$57,509 \$65,269 \$73,892
\$83,334	\$74,526	\$83,968	12 \$73,892

Cash Flow

Ending Cash Balance	Uses of Cash Operating Expenses	Sources of Cash Operations*	Month Beginning Balance
\$93,554	\$79,458	\$89,678	13 \$83,334
\$104,513	\$84,143	\$95,102	\$93,554
\$116,175	\$88,594	\$100,256	15 \$104,513
\$125,003	\$96,323	\$105,152	16 \$116,175
\$134,466	\$100,340	\$109,802	17 \$125,003
\$144,530	\$104,156	\$114,221	18 \$134,466
\$155,841	\$112,061	\$123,373	19 \$144,530
\$168,338	\$119,571	\$132,067	20 \$155,841
\$181,959	\$126,704	\$140,326	21 \$168,338
\$196,650	\$133,482	\$148,173	22 \$181,959
\$93,554 \$104,513 \$116,175 \$125,003 \$134,466 \$144,530 \$155,841 \$168,338 \$181,959 \$196,650 \$212,357 \$229,028	\$79,458 \$84,143 \$88,594 \$96,323 \$100,340 \$104,156 \$112,061 \$119,571 \$126,704 \$133,482 \$139,920 \$146,037	\$89,678 \$95,102 \$100,256 \$105,152 \$109,802 \$114,221 \$123,373 \$132,067 \$140,326 \$148,173 \$155,627 \$162,708	13 14 15 16 17 18 19 20 21 22 23 24 \$83,334 \$93,554 \$104,513 \$116,175 \$125,003 \$134,466 \$144,530 \$155,841 \$168,338 \$181,959 \$196,650 \$212,357
\$229,028	\$146,037	\$162,708	24 \$212,357

Cash Flow

Ending Cash Balance	Uses of Cash Operating Expenses	Sources of Cash Operations*	Month Beginning Balance
\$246,616	\$151,847	\$169,435	25 \$229,028
\$265,075	\$157,367	\$175,826	26 \$246,616
\$284,362	\$162,611	\$181,898	27 \$265,075
\$304,434	\$167,593	\$187,666	28 \$284,362
\$325,253	\$172,326	\$193,145	25 26 27 28 29 30 29,028 \$246,616 \$265,075 \$284,362 \$304,434 \$325,253
\$346,782	\$176,822	\$198,351	30 \$325,253
\$368,984	\$181,094	\$203,296	31 \$346,782
\$391,826	\$185,151	\$207,994	32 \$368,984
\$414,277	\$190,006	\$212,457	33 \$391,826
\$437,305	\$193,668	\$216,697	34 \$414,277
\$246,616 \$265,075 \$284,362 \$304,434 \$325,253 \$346,782 \$368,984 \$391,826 \$414,277 \$437,305 \$460,882 \$484,981	\$151,847 \$157,367 \$162,611 \$167,593 \$172,326 \$176,822 \$181,094 \$185,151 \$190,006 \$193,668 \$197,148 \$200,453	\$169,435 \$175,826 \$181,898 \$187,666 \$193,145 \$198,351 \$203,296 \$207,994 \$212,457 \$216,697 \$220,725 \$224,551	25 26 27 28 29 30 31 32 33 34 35 36 \$229,028 \$246,616 \$265,075 \$284,362 \$304,434 \$325,253 \$346,782 \$368,984 \$391,826 \$414,277 \$437,305 \$460,882
\$484,981	\$200,453	\$224,551	36 \$460,882

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RUSS CANDY MCBRIDE

PAGE 02

CERTIFICATE OF DEPOSIT

GOLDCERTIFICATE CD ACCOUNT

Thank you for establishing an MBNA Certificate of Deposit account. This certificate confirms your investment.

CERTIFICATE NUMBER:

420584367

PRINCIPAL AMOUNT:

\$50,788,55

TERM:

81 DAYS

INTEREST RATE:

5.60%

08/04/98

ANNUAL PERCENTAGE YIELD:

.

5.75%

MATURITY DATE:

10/24/98

COMPOUNDING:

DAILY COMPOUNDING

INTEREST:

ESSUE DATE:

CREDIT MONTHLY

TAXPAYER ID:

752773953

HOME PHONE:

NOT ON FILE BUSINESS PHONE

NOT ON FILE

ACCOUNT REGISTRATION:

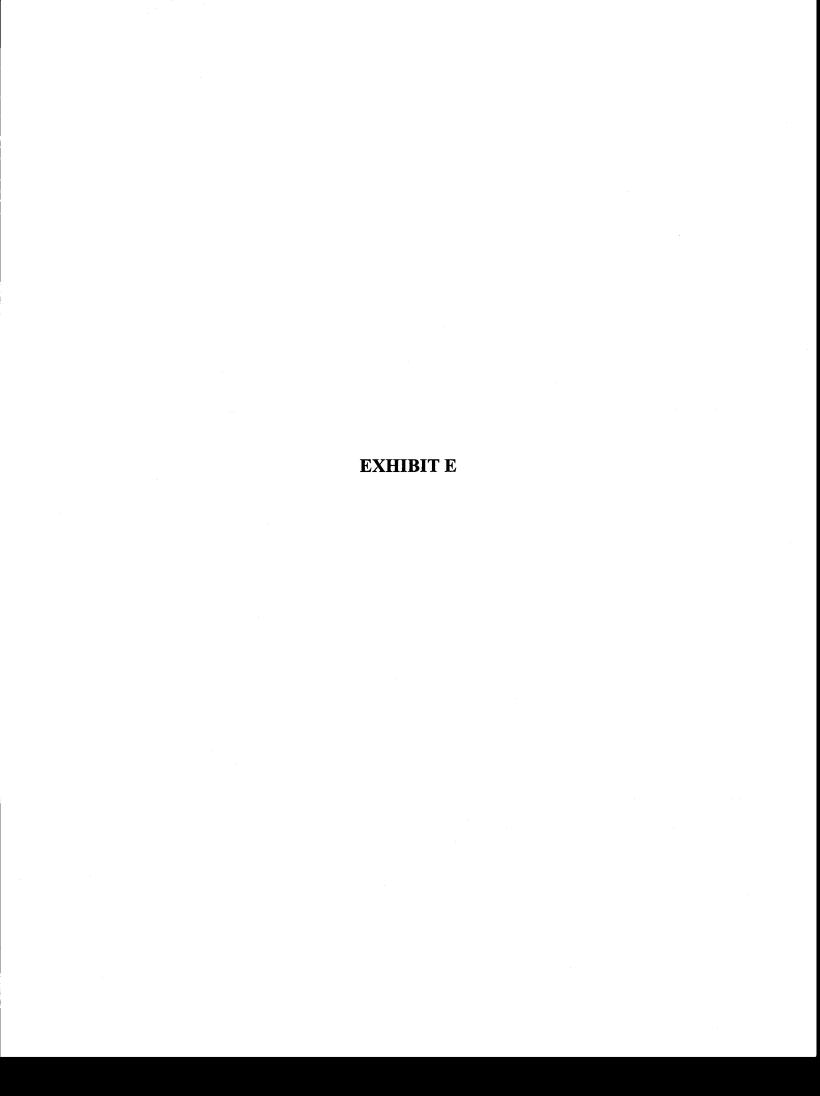
DPI TELE CONNECT INC 1440 BETHEL CHURCE RD .--MIDDLETOWN DE 19709

MBNA INVESTOR SERVICES: (800)414-6643 Monday through Friday 8 a.m. to 8 p.m., and Seturday 8 a.m. to 5 p.m. (Eastern time) P.O. BOX 15103 **WILMINGTON, DE 19850-5103**

Principal Amount		Minimum Opening Balance Requirement
\$10,000 -	\$49,999	\$10,000
\$50,0	000+	\$50,000
Yield for this account. Minimu	e to determine minimum op m opening balance requires	pening balance requirement and applicable Annual Percentagement for Individual Retirement Accounts (IRAs) and renewa
Yield for this account. Minimu	m opening balance requires	pening balance requirement and applicable Annual Percentagement for Individual Retirement Accounts (IRAs) and renewa
Yield for this account. Minimu is \$1,000.	m opening balance requires	ment for Individual Retirement Accounts (IRAs) and renewa
Yield for this account. Minimu	m opening balance requires	ment for Individual Retirement Accounts (IRAs) and renewa







Effective: September 30, 1998

DPI-TELECONNECT, INC.

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES APPLYING TO LOCAL SERVICES WITHIN THE STATE OF ARIZONA

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EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

C - To signify changed regula

D - To signify discontinued rate or regulation.

I - To signify increased rate.

M - To signify a move in location of text.

N - To signify new rate or regulation.

R - To signify reduced rate.

S - To signify reissued matter.

T - To signify a change in text but no change in rate or regulation.

TARIFF FORMAT

- A. Sheet Numbering Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the Tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between Sheet 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the third revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their Tariff approval process, the most current sheet number on file with the Commission is not always the Tariff page in effect.
- C. Paragraph Numbering Sequence There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1)

Clearwater, Florida 33767

APPLICATION OF TARIFF

This tariff sets forth the service offering, rates, terms and conditions applicable to the furnishing of intrastate communications services by DPI-Teleconnect, Inc. (hereinafter "Company"). This tariff is on file with the Arizona Corporation Commission, ("Commission"), and copies can be inspected, during normal business hours, at Company's principal place of business.

SECTION 1 - DEFINITIONS

Certain terms used generally throughout this tariff are defined below.

Account Number: Customer's telephone number is his/her account number.

Advance Payment: Payment of all or part of a charge required before the start of service.

<u>Application for Service</u>: A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable Company to provide telecommunication service.

<u>Authorized User</u>: A person that either is authorized by the Customer to use local exchange telephone service at Customer's residence or other location, or is placed in a position by the Customer, either through acts or omissions, to use local exchange telephone service.

<u>Authorized Code</u>: A numerical code, one or more of which are assigned to Customer to enable Company to identify use of service on his or her account and to bill Customer accordingly for such service. Multiple authorization codes may be assigned to Customer to identify individual users or groups of users on his or her account.

Commission: Arizona Corporation Commission unless content indicates otherwise.

Company: DPI-Teleconnect, Inc., a Texas corporation, the issuer of this tariff.

<u>Customer</u>: The person, firm, corporation or entity which orders service, uses and/or is responsible for the payment of charges and for compliance with the Company's tariff regulations.

<u>Customer-Provided Equipment</u>: Terminal equipment, as defined herein, provided by Customer.

<u>Demarcation Point:</u> The premises wire demarcation point begins where the Customer's inside wire connects to the intrabuilding network cable (INC). Where there is no INC, the demarcation point is the point of entry at Company's entrance facility. This demarcation point separates the responsibility of the end user from that of a vendor or Company's vendor of choice for premises wire repair and Customer Provided Equipment trouble isolation.

SECTION 1 - DEFINITIONS (continued)

<u>Disconnection</u>: The disconnection of a circuit, dedicated access line, or port connection being used for existing service.

<u>Individual Case Basis:</u> A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer's situation.

<u>Local Calling</u>: A completed call or telephone communication between a calling Station and any other Station within the local service area of the calling Station.

<u>Local Service</u>: Service which provides for exchange telephone communication within the local service area at rates and under regulations as provided in this Tariff.

<u>Local Service Area</u>: That area within which a Customer to exchange service can make telephone calls at exchange rates. A local service area may be made up of one or more central office areas or exchange areas.

Non-Recurring Charges: The one-time initial charges for services or facilities, including but not limited to charges for processing and installation, for which the Customer becomes liable at the time the Service Order is executed.

SECTION 1 - DEFINITIONS (continued)

<u>Premises</u>: Customer premises is all space in the same building occupied by a Customer and all space occupied by the same Customer in different buildings or continuous property.

(<u>Premises</u>) <u>Inside Wire</u>: Inside (premises) wire (simple wire) refers to all non system inside (premises) telephone wire on the Customer's side of the inside wire demarcation point but does not include Customer premises equipment.

<u>Recurring Charges</u>: The monthly charges to the Customer for services, facilities and/or equipment, which continue for the agreed upon duration of the service.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance of service. The parties may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for local exchange services executed by the Customer and the Company in a format specified by the Company. The signing of a Service Order by the Customer and acceptance thereof by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date. Service Order may also be referred to as Customer Service Agreement.

<u>Services:</u> The Company's local telecommunications services offered to the Customer within the State of Arizona.

<u>User</u>: A Customer or any other person authorized by the Customer to use Services provided under this tariff.

SECTION 2 - REGULATIONS

2.1 <u>Undertaking of the Company</u>

2.1.1 <u>Scope</u>

- 2.1.1.A The Company undertakes to furnish intrastate telecommunications services within the state of Arizona under the terms of this tariff as a reseller. Service is available 24 hours a day, seven days a week.
- 2.1.1.B The Company is responsible under this tariff only for the services and facilities provided herein. Should Customers use such services and facilities to obtain access to services offered by other providers, the Company assumes no responsibility for such other service.

2.1.2 Shortage of Equipment or Facilities

- 2.1.2.A The Company reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by the Company when necessary because of lack of facilities or due to some other cause beyond the Company's control.
- 2.1.2.B The furnishing of service under this tariff is subject to availability on a continuing basis of all necessary facilities from the Incumbent Local Exchange Carrier or other providers to the Company for resale.

2.1.3 Terms and Conditions

- 2.1.3.A Except as otherwise provided herein, the minimum period of service is one month (30 days). All payments for service are due in advance on the date specified by the Company. Service may be discontinued after notice if a Customer's account is not paid in full on the due date. All calculations of dates set forth in this tariff shall be based on calendar days. Should the applicable date fall on a Sunday or Federal holiday, the Customer will be permitted to make payment on the next regular business day.
- 2.1.3.B At the expiration of any term specified in a Customer Service Agreement, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 5 days written notice. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the

2.1 <u>Undertaking of the Company (Cont'd)</u>

2.1.3 Terms and Conditions (Cont'd)

Agreement and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Agreement shall survive such termination.

- 2.1.3.C This tariff shall be interpreted and governed by the laws of the State of Arizona.
- 2.1.3.D Another telephone company must not interfere with the right of any person or entity to obtain service directly from the Company.
- 2.1.3.E The Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business. The Company will give the Customer at least sixty (60) days written notice of any proposed change.

2.1.4 <u>Liability of the Company</u>

- 2.1.4.A The liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, other defects, or representations by the Company, or use of these services or damages arising out of the failure to furnish the service whether caused by acts or omission, shall be limited to the extension of allowances for interruptions as set forth in Section 2.6 below. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- 2.1.4.B The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this tariff. With respect to any other claim or suit, by a Customer or by others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this tariff, and subject to the provisions of

Effective: September 30, 1998

2.1 <u>Undertaking of the Company (Cont'd)</u>

2.1.4 Liability of the Company (Cont'd)

Section 2.6, the Company's liability, if any, shall be limited as provided herein.

- 2.1.4.C The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; and law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages, or other labor difficulties.
- 2.1.4.D The Company shall not be liable for: (a) any act or omission of any entity furnishing the Company or the Company's Customers facilities or equipment used for or with the services the Company offers; or (b) for the acts or omissions of other common carriers or local exchange companies.
- 2.1.4.E The Company shall not be liable for any damages or losses due to the fault or negligence of, or any omission by, the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- 2.1.4.F The Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of any installation provided by the Company excluding attorney's fees. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section as a condition precedent to such installations.
- 2.1.4.G The Company shall not be liable for any defacement of or damage to Customer premises resulting from the furnishing of services of equipment on such premises or the

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2.1 Undertaking of the Company (Cont'd)

2.1.4. Liability of the Company (Cont'd)

installation or removal thereof, unless such defacement or damage is caused by gross negligence or willful misconduct of the Company's agents or employees. No agents or employees of other participating carriers shall be deemed to be agents or employees of the Company.

- 2.1.4.H Notwithstanding the Customer's obligations as set forth in Section 2.3.2, the Company shall be indemnified, defended, and held harmless by the Customer or by others authorized by it to use the service against any claim, loss or damage arising from Customer's use of services furnished under this tariff, including:
 - Claims for defamation libel, slander, invasion of privacy, infringement of
 copyright, unauthorized use of trademark, trade name, or service mark, unfair
 competition; interference with or misappropriation, or violation of any contract,
 proprietary or creative right, or any other injury to any proprietary or creative right,
 or any other injury to any person, property, or entity arising from the material, data,
 information, or content, revealed to, transmitted, processed, handled, or used by the
 Company under this tariff;
 - 2. patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of the Customer or others; and
 - 3. all other claims arising out of any act or omission of the Customer or others, in connection with any service provided by the Company pursuant to this tariff.
- 2.1.4.I The entire liability of the Company for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to the Company by the Customer for the specific services giving rise to the claim.
- 2.1.4.J THE COMPANY MAKES NO EXPRESS WARRANTIES OR REPRESENTATIONS, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

2.1 <u>Undertaking of the Company (Cont'd)</u>

2.1.4. Liability of the Company, (Cont'd)

- 2.1.4.K The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, channels, or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.
- 2.1.4.L No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.1.4.M With respect to Emergency Number 911 Service:
 - 1. This service is offered as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
 - 2. Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, or occasion by the use of Emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing Emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

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2.1 <u>Undertaking of the Company (Cont'd)</u>

2.1.4 <u>Liability of the Company, (Cont'd)</u>

- 2.1.4.N The Company's liability arising from errors or omissions in Directory Listings, other than charged listings, shall be limited to the amount of actual impairment to the Customer's service and in no event shall exceed one-half the amount of the fixed monthly charges applicable to exchange service affected during the period covered by the directory in which the error or omission occurs. In cases of charged Directory Listings, the liability of the Company shall be limited to an amount not exceeding the amount of charges for the charged listings involved during the period covered by the directory in which the error or omission occurs. The Company will provide the Customer at no charge intercept service of the wrong number when possible.
- 2.1.4.O In conjunction with a non-published telephone number, the Company will not be liable for failure or refusal to complete any call to such telephone when the call is not placed by the number. The Company will try to prevent the disclosure of the number of such telephone, but will not be liable should such number be divulged.
- 2.1.4.P When a Customer with a non-published telephone number places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this tariff, Customer acknowledges and agrees with the release of information as described above.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routing and preventive maintenance. Generally, such activities are not specific to an individual Customer but affect many Customer's services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notifications requirements. With some emergency or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

2.1 Undertaking of the Company (Cont'd)

2.1.6 Provision of Equipment and Facilities

- 2.1.6.A The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff and applicable state rules and regulations.
- 2.1.6.B The Company shall use reasonable efforts to maintain facilities that it furnishes to the Customer. The Customer may not, nor may the Customer permit others except the Incumbent Local Exchange Carrier to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company, except upon written consent of the Company.
- 2.1.6.C The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Beyond this responsibility, the Company shall not be responsible for:
 - 1. the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission or
 - 2. the reception of signals by Customer provided equipment; or
 - 3. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

2.1.7 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside Company's regular business hours or in hazardous locations. In such cases, charges based on the cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1 Undertaking of the Company (Cont'd)

2.1.8 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors or the Incumbent Local Exchange Carrier.

2.2 Prohibited Uses

2.2.1 The services the Company offers shall not be used for any unlawful purposes or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits. Services also may not be used for any purpose for which any payment or other compensation is received by the Customer except when the Customer is a duly authorized regulated common carrier. This provision does not prohibit an arrangement between the customer, authorized user, or joint user to share the cost of the service as long as the arrangement generates no profit for any participant in the arrangement.

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

A. placing orders for service.

When placing an order for service, Customer must provide:

- 1. the name(s) and address(es) of the person(s) responsible for the payment of service charges; and
- 2. The name(s), telephone number(s), and address(es) of the Customer contact person(s).

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B. the payment of all applicable charges pursuant to this tariff.

2.3. Obligations of the Customer (Cont'd)

2.3.1. General (Cont'd)

- C. reimbursing the Company for damages to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment.
- D. providing at no charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the operating environment on such premises;
- E. obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide local exchange service to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1.D. Any costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- F. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from

2.3. Obligations of the Customer (Cont'd)

2.3.1. General (Cont'd)

installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work.

- G. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under section 2.3.1.D above; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- H. not creating or allowing to be placed or maintained any liens or other encumbrances on the Company's equipment or facilities; and
- I. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

2.3.2 Claims

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from all claims, actions, damages, liabilities, costs and expenses, including reasonable attorney's fees for:

A. any loss, destruction or damage to property of the Company or any third party, or the death of or injury to persons, including, but not limited to, employees or invitees of either the Company or the Customer, to the extent caused by or resulting from negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or

2.3. Obligations of the Customer (Cont'd)

2.3.2 Claims (Cont'd)

B. any claim, loss damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, with limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

2.4 <u>Customer Equipment and Channels</u>

2.4.1 <u>Interconnection of Facilities</u>

- 2.4.1.A Services furnished by the Company may be connected to the services or facilities of other authorized communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections. Service furnished by the company is not part of a joint undertaking with such other carriers.
- 2.4.1.B Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange service and the channels, facilities, or equipment of others may be provided at the Customer's expense.
- 2.4.1.C Facilities furnished under this tariff may be connected to Customer provided terminal equipment in accordance with the provision of this tariff.
- 2.4.1.D The Customer is responsible for taking all necessary legal steps for interconnecting his or her customer provided terminal equipment of communications systems with Company's facilitates. Customers shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnections.

2.4.2 <u>Inspections</u>

2.4.2.A Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth herein for the installation,

2.4. Customer Equipment and Channels (Cont'd)

2.4.2 <u>Inspections (Cont'd)</u>

operation, and maintenance of any Customer-provided facilities and equipment to any Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.

2.4.2.B If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm. The Company will, upon request 24 hours in advance, provide the Customer with a statement of technical parameters that the Customer's equipment must meet.

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for payment of all charges for service and facilities furnished by the Company to the Customer or authorized Users. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to the Customer.

2.5.1.A <u>Taxes</u>: The Customer is responsible for the payment of any sales, use gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income assessed in conjunction with service used. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions.

2.5 Payment Arrangements (Cont'd)

2.5.2 Billing and Collection of Charges

It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

- 2.5.2.A All payments for service are paid in advance and are due thirty days (30) from the date of installation and on the expiration of each subsequent thirty day (30) period. The Company mails statements to each customer during every billing cycle indicating the due date and the amount that is due.
- 2.5.2.B Customers may pay for service by credit card, an authorized payment agent, or check.
- 2.5.2.C Company will bill Customer a one-time charge of \$20.00 if Customer's check for payment of service is returned for insufficient or uncollected funds, closed accounts, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank or other financial institution.

2.5.3 Disputed Bills

The Customer shall notify the Company of any disputed items on a bill. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Commission in accordance with the Commission's rules of procedure. Complaints may be directed to the Company either orally or in writing by calling or writing to the address below.

2.5.3.A The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute.

2.5.4 Discontinuance of Service

The Company may with notice discontinue service or cancel an application for service for any of the following:

- 2.5.4.A Upon nonpayment of any regulated amounts owing to the Company, and after 7 days written notice.
- 2.5.4.B Upon violation of any of the other material terms or conditions for furnishing service,

2.5 Payment Arrangements (Cont'd)

2.5.4 Discontinuance of Service (Cont'd)

the Company may, by giving 5 days prior notice in writing to the Customer, discontinue service if such violation continues during that period.

- 2.5.4.C Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service.
- 2.5.4.D Upon the Customer's abandonment of service, the Company may, with prior notice to the Customer, immediately discontinue service.
- 2.5.4.E Violating federal, state or local laws or regulations through the use of service.
- 2.5.4.F The Company may discontinue the furnishing of any and/or all service(s) to a Customer:
 - 1. Immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services.
 - 2. The Customer provides false information to the Company regarding the Customer's identity, address, or use of services(s).
 - 3. The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by:
 - (a) Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this tariff; or
 - (b) Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or

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Any other fraudulent means or devices; or

2.5 Payment Arrangements (Cont'd)

2.5.4 Discontinuance of Service (Cont'd)

2.5.4.F (Cont'd)

- After 7 days written notice to a Customer who has failed to pay any regulated sum within five(5) days of the date when payment was due;
- Five (5) days after sending the Customer written notice of noncompliance with any provisions of this tariff if the noncompliance is not corrected within that five (5) day period.
- 2.5.4.G The discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished up to the time of discontinuance.

2.5.5 Credit Allowance - Directory

The Company shall allow, for errors or omissions in alphabetical telephone directories (excluding the use of bold face type), an amount within the following limits:

- 1. For listings in alphabetical telephone directories furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the effective life of the directory in which the error or omission occurred.
- 2. For listings and lines of information in alphabetical telephone directories furnished at additional charge, an amount not in excess of the charge for that listing during the effective life of the directory in which the error or omission occurred.
- 3. For listings and lines of information records furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the period the error or omission continued.
- 4. For listings in information records furnished at additional charge, an amount not in excess of the charge for the listing during the period the error or omission continued.

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2.5.6 Bad Check Charge

Carrier will bill Customer a one-time charge of \$20.00 if Customer's check for payment of service is returned for insufficient or uncollected funds, closed account, or any other insufficiency or discrepancy necessitating return of the check at the discretion of the drawee bank or other financial institution.

2.6 <u>Allowances for Interruptions of Service</u>

When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the Customer, or the operation or failure of the facilities or equipment provided by the Customer, a pro rata adjustment of the monthly Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more from the time the interruption is reported to or known to exist by the Company, except as otherwise specified in the Company's tariffs.

It shall be the obligation of the Customer to notify Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission of the Customer within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Company's terminal. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

2.6.1 <u>Credit Allowances</u>

- 2.6.1.A Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in facilities or equipment owned, provided and billed for, by Company.
- 2.6.1.B Credit allowances for failure of service or equipment starts when Customer notifies Company of the failure or when Company becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify Customer.
- 2.6.1.C For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly Charges specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for services outages that exceed 24 hours in duration will be rounded up to the next whole 24 hours.

2.6 Allowances for Interruptions of Service (Cont'd)

2.6.2 Limitations on Allowances

No credit will be made for:

- 2.6.2.A interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer;
- 2.6.2.B interruptions due to the negligence of any person using the Company's facilities with the Customer's permission.
- 2.6.2.C interruptions due to the failure or malfunction of non-Company equipment;
- 2.6.2.D interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- 2.6.2.E interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- 2.6.2.F interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- 2.6.2.G interruption of service due to circumstances or causes beyond the control of the Company.

2.7 Cancellation of Service

2.7.1 Cancellation of Application for Service

- 2.7.1.A Applications for new service are noncancellable unless the Company otherwise agrees or receives five days notice prior to installation. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special constructions, no charges will be imposed except for those specified below.
- 2.7.1.B Where, prior to cancellation by the Customer, the company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall

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2.7 <u>Cancellation of Service (Cont'd)</u>

2.7.1 Cancellation of Application for Service (Cont'd)

apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.

2.7.1.C The special charges described in 2.7.1.A and 2.7.1.B will be calculated and applied on a case-by-case basis.

2.7.2 Cancellation of Service by a Customer

- 2.7.2.A To cancel or terminate service, a customer must provide the Company with 5 days notice.
- 2.7.2.B If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in 2.6 above), Customer agrees to pay to Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.5.2, all costs, fees and expenses incurred in connection with:
 - 1. all Non-Recurring Charges reasonably expended by Company to establish service to Customer, plus
 - 2. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus
 - 3. all Recurring Charges for the applicable notice period.

2.8 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer or substantially all the assets of the Company; or © pursuant to any financing, merger or reorganization of the Company.

2.9 Notices and Communications

- 2.9.1 The Customer shall designate an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.9.2 The Company shall designate an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address to which the Customer shall mail payment on that bill.
- 2.9.3 All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following deposit of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

SECTION 3 - SERVICE DESCRIPTIONS AND RATES

3.1 Local Exchange Service

The Company's Local Telephone Service enables the Customer to:

- -Place or receive calls to any calling Station in the local calling area, as defined herein;
- -Access basic 911 Emergency Service if available in the Customer's area;
- -Where available, place or receive calls to 800 telephone numbers;
- -access operator services; and
- -access long distance providers.

The Company's service can not be used to originate calls to other companies' caller-paid information services (e.g. 900. 976). The Company adopts the exchange map(s) and legal description(s) filed with the Commission by Southwestern Bell Telephone Company.

3.1.1 Local Line

Local Line provides the Customer with a single, voice-grade communications channel. Each Local Line will include a telephone number. The following types of calls and services may be blocked by the Company: long distance; collect calls; operator-assisted calls; third number billed calls; or any service that may be billed to Customer's telephone number.

3.1.1.A Standard Features

Each Local Line Customer is provided with only basic local telephone service as defined in 3.1.1.

3.1.1.B Optional features:

Call Waiting
Call Forwarding
Three-Way Calling
Caller ID Name & Number
Unlisted Number
Call Return
Speed Dial
Auto Redial
Call Blocker
Anonymous Call Rejection

3.1 <u>Local Exchange Service (Cont'd)</u>

3.1.1.C Local Line Rates and Charges

A Local Line Customer will be charged applicable Non-Recurring Charges and monthly Recurring Charges as specified below.

1. <u>One-Time Activation Fee</u>

One-Time Activation/Installation Fee \$ 45.00

2. Recurring Charges

Local Line - Monthly Recurring \$49.95

3. Optional Features

		One-Time Activation
	Monthly	Fee_
Call Waiting	\$ 5.00	3.00
Call Forwarding	\$ 5.00	3.00
Three-Way Calling	\$ 5.00	3.00
Caller ID Name & Number	\$ 10.00	3.00
Unlisted Number	\$ 3.00	3.00
Call Return	\$ 5.00	3.00
Speed Dial	\$ 5.00	3.00
Auto Redial	\$ 4.00	3.00
Call Blocker	\$ 4.00	3.00
Anonymous Call Rejection	\$ 3.00	3.00

3.2 <u>Directory Listings</u>

The Company shall provide for a single directory listing, termed the primary listing, in the telephone directory published by the dominant exchange service provider in the Customer's exchange area of the Station number which is designated as the Customer's main billing number.

- 3.2.1 The Company reserves the right to limit the length of any listing in the directory by abbreviations when, in its judgment, the clearness of the listing or the identification of the Customer is not impaired thereby. Where more than one line is required to properly list the Customer, no additional charge is made.
- 3.2.2 The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, obscenities in the name, or any listing which, in the opinion of the Company, is likely to mislead or deceive calling persons as to the identity of the listed party, or is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- 3.2.3 In order for listings to appear in an upcoming directory, the Customer must furnish the listing to the Company in time to meet the directory publishing schedule.
- 3.2.4 Directory listings are provided in connection with each Customer service as specified herein.
- 3.2.5 Non-Recurring Charges

Non-Recurring Charges associated with Directory Listings are as follows:

Non-Recurring

Primary Listing (one number)

No Charge

3.2.6 Recurring Charges

Monthly Recurring Charges associated with Directory Listings are as follows:

Monthly

Primary Listing (one number)

No Charge

Effective: September 30, 1998

3.3 Emergency Services (Enhanced 911)

Allows Customers to reach appropriate emergency services including police, fire and medical services. Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, the Customer's address and telephone information will be provided to the primary E911 provider for display at the Public Service Answering Point (PSAP).

3.4 Promotional Offerings

The Company, from time to time, may make promotional offerings of its services which may include waiving or reducing the applicable charges for the promoted service. The promotional offerings may be limited as to the duration, the date and times of the offerings and the locations where the offerings are made. Promotional offerings will be filed with the Commission.

3.5 <u>Customer Service</u>

Customer service is available 24 hours a day, seven days a week by calling 800-999-4194 or writing the Company at 1290 Gulf Blvd., Suite 2007, Clearwater, Florida 33767.

MAXWELL, BAKER & McFATRIDGE, P.C.

ATTORNEYS AT LAW
17625 EL CAMINO REAL, SUITE 310
RECEIVEDTEXAS 77058
AZ CORP COMMISSION

KYLE DICKSON

HOUSTON (281) 286-1040 AUSTIN (512) 457-1272 FACSIMILE (281) 286-1043

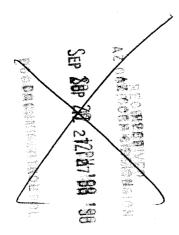
DEC 9 12 47 PN 198

September 25, 1998

DOCUMENT CONTROL

VIA FEDERAL EXPRESS

Arizona Corporation Commission Docket Control Center 1200 West Washington Street Phoenix, Arizona 85007-2996



Re: DPI-Teleconnect, Inc.; Application for a Certificate of Convenience and Necessity to Provide Interexchange Telecommunications Services within the State of Arizona.

Dear Sir or Madam:

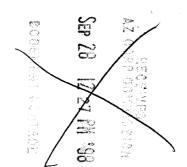
Enclosed for filing on behalf of *DPI Teleconnect*, *Inc.*, please find an original and eleven (11) copies of Amended Tariff Pages 27 and 28.

Please date-stamp the enclosed extra copy of the application and return it to the undersigned in the self-addressed stamped envelope provided. If you have any questions, please contact me at (281) 286-1040.

Respectfully submitted,

Kyle L. Dickson

Enclosures



SECTION 3 - SERVICE DESCRIPTIONS AND RATES

3.1 Local Exchange Service

The Company's Local Telephone Service enables the Customer to:

- -Place or receive calls to any calling Station in the local calling area, as defined herein;
- -Access basic 911 Emergency Service if available in the Customer's area;
- -Where available, place or receive calls to 800 telephone numbers;
- -access operator services; and
- -access long distance providers.

The Company's service can not be used to originate calls to other companies' caller-paid information services (e.g. 900. 976). The Company adopts the exchange map(s) and legal description(s) filed with the Commission by Southwestern Bell Telephone Company.

3.1.1 Local Line

Local Line provides the Customer with a single, voice-grade communications channel. Each Local Line will include a telephone number. The following types of calls and services may be blocked by the Company: long distance; collect calls; operator-assisted calls; third number billed calls; or any service that may be billed to Customer's telephone number.

3.1.1.A Standard Features

Each Local Line Customer is provided with only basic local telephone service as defined in 3.1.1.

3.1.1.B Optional features:

Call Waiting
Call Forwarding
Three-Way Calling
Caller ID Name & Number

3.1 Local Exchange Service (Cont'd)

3.1.1.C Local Line Rates and Charges

A Local Line Customer will be charged applicable Non-Recurring Charges and monthly Recurring Charges as specified below.

1. One-Time Activation Fee

One-Time Activation/Installation Fee \$ 40.00

2. Recurring Charges

Local Line - Monthly Recurring \$49.99

3. Optional Features

		One-Time Activation
	<u>Monthly</u>	<u>Fee</u>
Call Waiting	\$ 4.99	0.00
Call Forwarding	\$ 4.99	0.00
Three-Way Calling	\$ 4.99	0.00
Caller ID Name & Number	\$ 9.99	0.00

MAXWELL, BAKER & McFATRIDGE, P.C.

ATTORNEYS AT LAW 17625 EL CAMINO REAL, SUITE 310 HOUSTON, TEXAS 77058

KYLE DICKSON

HOUSTON (281) 286-1040 AUSTIN (512) 457-1272 FACSIMILE (281) 286-1043

September 25, 1998

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